

# MISSOURI FIRST



**SCOTT FITZPATRICK**  
MISSOURI STATE TREASURER

# Program Overview

The Missouri F1RST Linked Deposit Program is a statutorily created lending program managed by State Treasurer Scott Fitzpatrick. It is aimed at expanding and strengthening Missouri communities by working with Missouri Banking Institutions to provide low-interest loans to qualified borrowers for business enhancement, growth, and development.

Eligible borrowers include:

- Small Businesses with up to 99 employees
- Agriculture
- Multi-Family Housing
- Job Enhancement
- Local Governments
- Alternative-Energy focused programs



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# Program Overview - Continued

- The Missouri Linked Deposit Program has been assisting Missouri businesses since 1985.
- Treasurer Fitzpatrick deposits available funds with an approved borrower's qualified banking institution at a below-market interest rate.
- This allows the lender to pass along a 30 percent interest-rate reduction on the borrower's loan, resulting in an overall savings to the borrower and economic growth for Missouri communities.
- When Treasurer Fitzpatrick took office the Missouri Linked Deposit Program was rapidly approaching the statutory limit. In order to get the program back on track, Treasurer Fitzpatrick implemented the following changes:
  - No refinance
  - Lowered amount allowed to \$2 million per deposit
  - Reduced deposit rate discount to 55%
  - Financial institutions limited to 20% of the statutory cap



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# Program Overview - Continued

- Due to the economic climate, Treasurer Fitzpatrick rolled back previous changes made to the Linked Deposit Program. In January of 2021, Treasurer Fitzpatrick implemented the following changes:
  - Refinance allowed on new loans and loans that have previously matured from the program
  - Raised amount allowed to \$10 million per deposit
  - Increased deposit rate discount to 60%
- Since taking office Treasurer Fitzpatrick has approved approximately \$1.1 billion in deposits supporting low-interest loans through his Missouri Linked Deposit Program.



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# Missouri Linked Deposit Program-2021 Placed Amounts

This Missouri FIRST Linked Deposit Program 2021 Annual Report provides a summary of loan activities from October 1, 2020 - September 30, 2021.

The Missouri FIRST Linked Deposit Program placed 780 loans in the 2020 program year (PY) for a total loan amount of \$281,472,076.

During the 2021 PY, the Missouri FIRST Linked Deposit Program provided a total of 5 loans totaling \$1,729,603 to veteran-owned businesses, 56 loans totaling \$23,474,843 to women-owned businesses, 7 loans totaling \$2,244,759 to minority-owned businesses, and 2 loans totaling \$99,759 to minority/women-owned businesses.



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# 2021 Top 20 Veteran/Minority/Women-Owned Business Loans - \$21,914,276

Loan Amount	Bank Name	Deposit Type	Application Region	WBE/MBE/VET
\$10,500,000.00	Simmons Bank	Small Business	6	WBE
\$1,347,500.00	Equity Bank	Small Business	8	WBE
\$960,000.00	Mid Missouri Bank	Small Business	10	MBE
\$906,000.00	Triad Bank	Small Business	9	WBE
\$788,000.00	Farm Credit Southeast Missouri	Agriculture	7	WBE
\$750,000.00	United Bank Of Union	Small Business	5	WBE
\$670,000.00	Mid Missouri Bank	Small Business	6	WBE
\$632,000.00	Bank of Kirksville	Small Business	2	WBE
\$600,000.00	Maries County Bank	Small Business	4	WBE
\$575,000.00	FCS Financial	Agriculture	6	WBE
\$562,000.00	Bank of Kirksville	Small Business	2	WBE
\$500,000.00	FCS Financial	Agriculture	1	VET
\$450,000.00	Oakstar Bank	Small Business	6	MBE
\$432,173.00	Commerce Bank	Small Business	9	WBE
\$424,000.00	Bank Star	Small Business	5	WBE/VET
\$417,603.00	Commerce Bank	Small Business	4	WBE/VET
\$400,000.00	Hawthorn Bank	Small Business	3	WBE
\$365,000.00	Hawthorn Bank	Small Business	3	MBE
\$320,000.00	Equity Bank	Small Business	8	WBE/VET
\$315,000.00	First State Bank Of St. Charles	Small Business	5	WBE



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## 2020 Minority/Women – Owned Business Loans by Region Totals

Region	Number of Loans	Loan Totals
North West	1	\$250,000
North East	10	\$1,499,800
Kansas City	6	\$1,055,000
Central	10	\$1,810,412
St. Louis	3	\$1,489,000
South West	19	\$13,882,000
South East	2	\$998,500
Jackson	4	\$1,827,958
St. Louis City/County	3	\$1,595,173
Out of State Application (*Project in MO*)	3	\$1,212,000
<b>Region Totals</b>	<b>61</b>	<b>\$25,619,843</b>



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# Missouri Linked Deposit Program – Veteran Loans

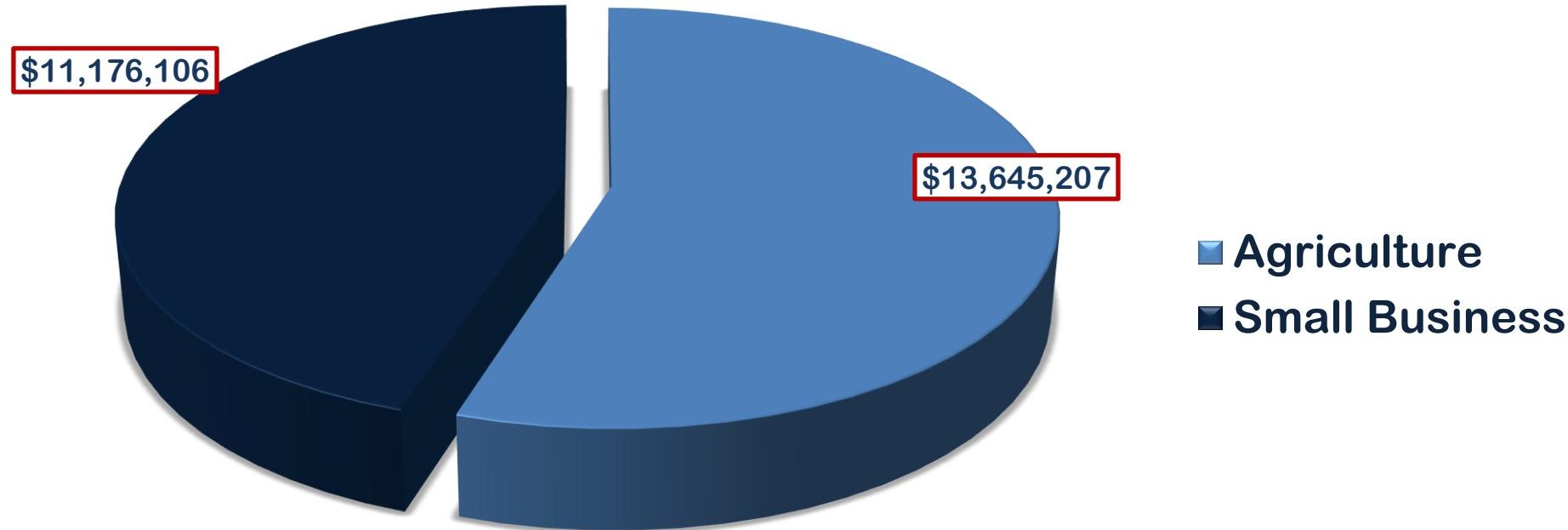
PY	Veteran Loans	% of MLDP Portfolio
2021	\$1,729,603	0.61%
2020	\$6,508,127	1.54%
2019	\$8,497,145	1.63%
2018	\$11,749,767	3.03%
2017	\$4,869,048	2.36%
2016	\$8,844,080	4.02%
2015	\$11,507,891	4.08%



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# Missouri Linked Deposit Program – New Deposits

During the 2021 PY, the Missouri Linked Deposit Program issued 97 new loans totaling \$24,821,313.



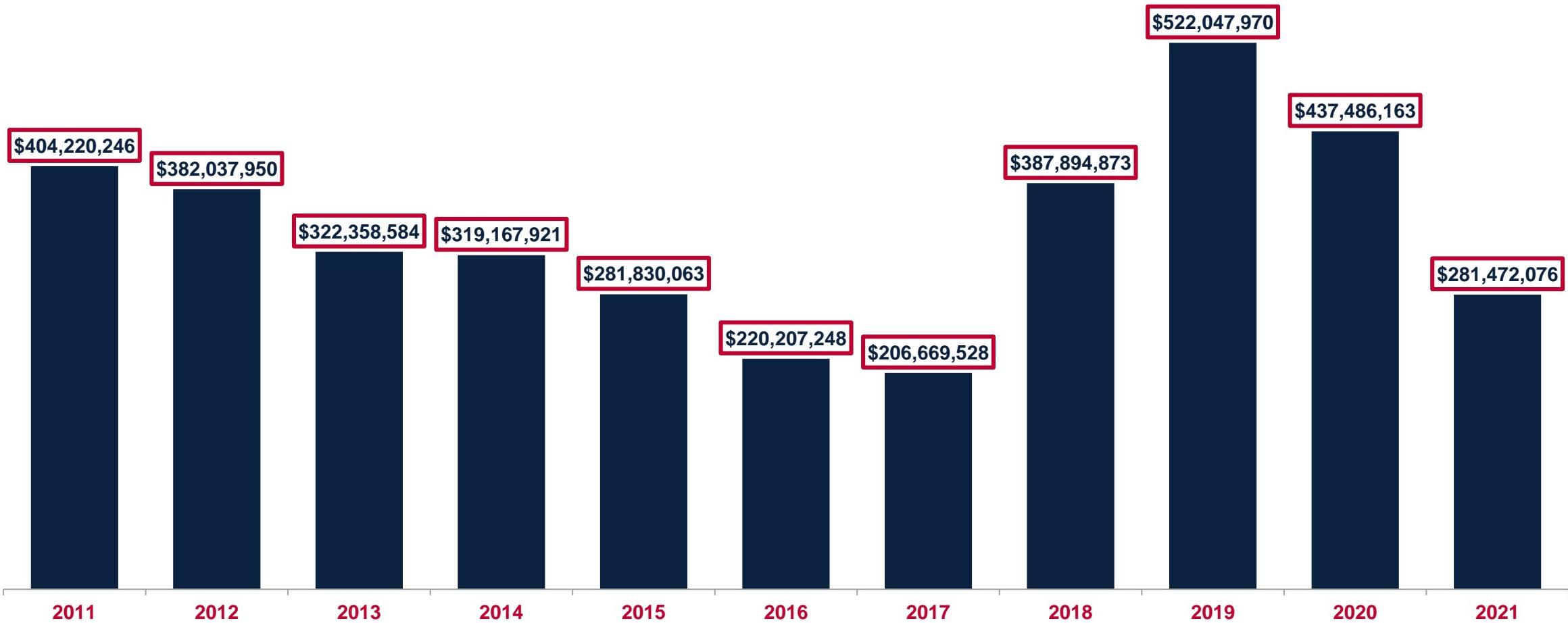
## 2021 showed a 36% decrease in program use.

PROGRAM YEAR	TOTAL LOAN AMOUNTS	PERCENT INCREASE/DECREASE
PY2021	\$281,472,076	-36%
PY2020	\$437,486,163	-16%
PY2019	\$522,047,970	35%
PY2018	\$387,894,873	88%
PY2017	\$206,669,528	-6%
PY2016	\$220,207,248	-22%
PY2015	\$281,830,063	-12%
PY2014	\$319,167,921	-1%
PY2013	\$322,358,584	-16%
PY2012	\$382,037,950	-5%
PY2011	\$404,220,246	61%
PY2010	\$251,475,422	25%



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# Summary of Missouri Linked Deposit Program by Year



During PY2021, the Missouri Linked Deposit Program experienced a decrease of 36%.

After 6 years of continual decline in participation, the explosive growth of PY2018 and PY2019 caused us to make a number of changes to the program to slow the rate of growth and avoid the negative consequences of hitting the statutory cap of the program. The growth has since slowed enough (program size has actually declined) and the legislature increased the overall cap of the program by \$80million. As a result, Treasurer Fitzpatrick is looking at rolling back some of the previously mentioned changes.

The lower interest rate environment has also caused some participants to pull out of the program.



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# Comparison of Total Loan Amounts by Category

MLDP Category	PY 2015	PY 2016	PY 2017	PY 2018	PY 2019	PY2020	PY2021
Agriculture	\$31,005,883	\$24,388,671	\$25,575,146	\$109,894,675	\$190,050,304	\$187,098,565	\$170,091,834
Multi-Family Housing	\$29,000,788	\$21,415,971	\$17,535,003	\$30,107,304	\$43,286,367	\$33,087,328	\$13,639,700
Job Enhancement	\$5,714,149	\$0	\$0	\$700,000	\$700,000	\$0	\$0
Small Business	\$213,070,643	\$171,373,606	\$159,921,379	\$238,027,410	\$274,786,750	\$209,752,941	\$97,110,542
Alternative Energy	\$16,600	\$24,000	\$8,000	\$0	\$0	\$0	\$0
Government Entity	\$3,022,000	\$3,005,000	\$3,630,000	\$9,165,484	\$13,224,549	\$7,547,329	\$630,000
<b>Totals</b>	<b>\$281,830,063</b>	<b>\$220,207,248</b>	<b>\$206,669,528</b>	<b>\$387,894,873</b>	<b>\$522,047,970</b>	<b>\$437,486,163</b>	<b>\$281,472,076</b>



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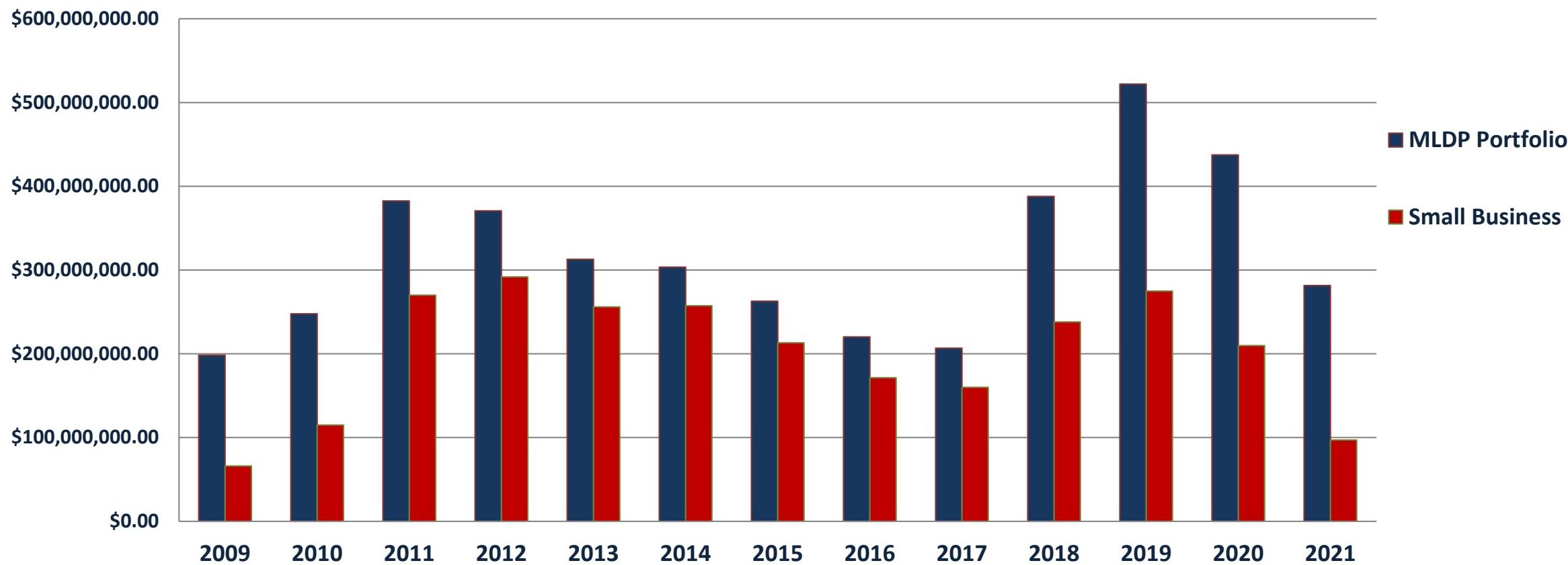
# Percentages of Active Loan Category Breakdown

MLDP Category	2019	2020	2021
Small Business	53%	48%	35%
Agriculture	36%	43%	60%
Multi-Family Housing	8%	7%	5%
Job Enhancement	0.13%	0%	0%
Government Entity	3%	2%	0.22%
Alternative Energy	0%	0%	0%

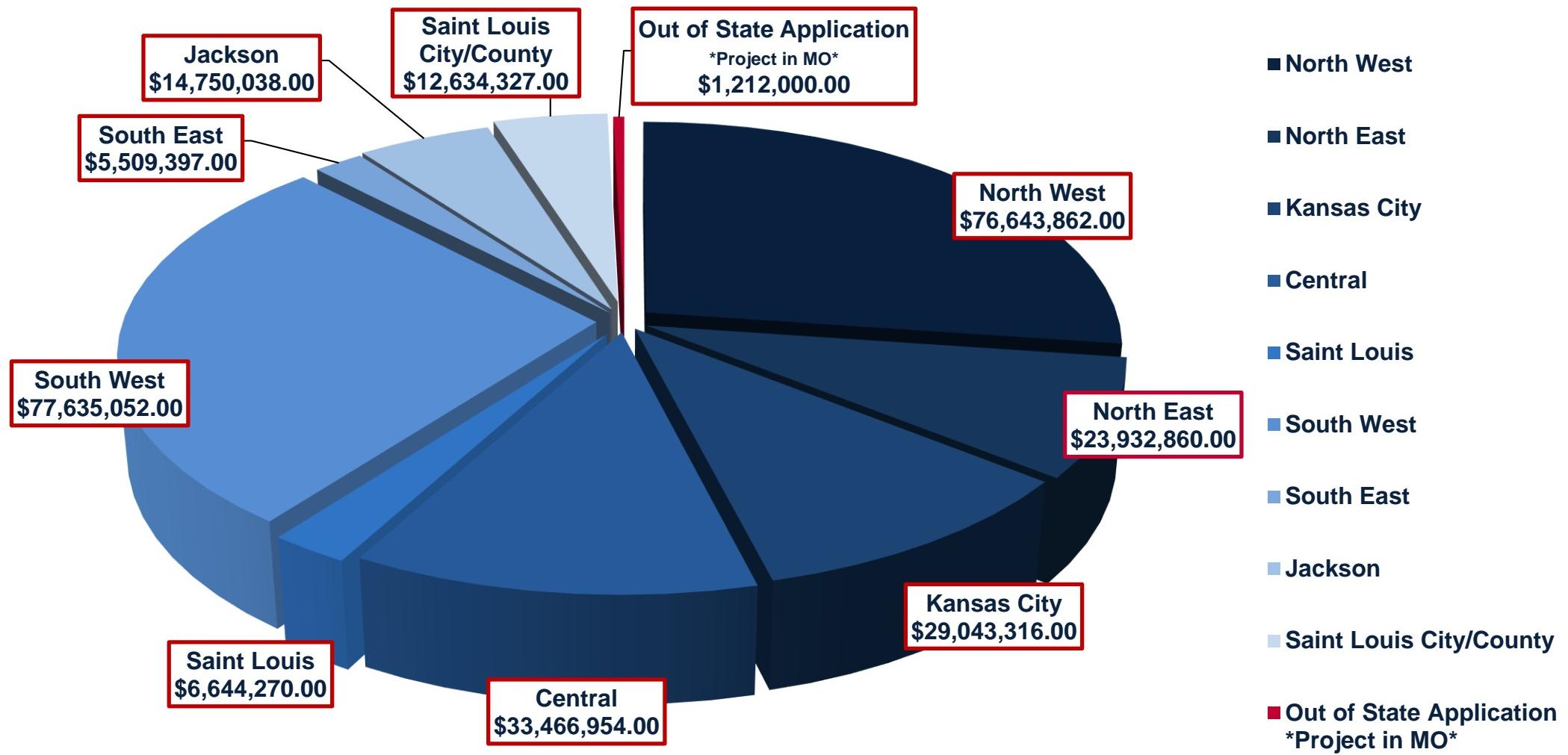


## Summary of Missouri Linked Deposit Loan/Small Business Deposit Amounts by PY

The chart below provides an overview of the Small Business loans (as compared to the entire Missouri FIRST Linked Deposit Program portfolio). The Small Business component is one of the largest of the Missouri FIRST Linked Deposit Program and continues to be an important factor in strengthening local economies and communities statewide.



# 2020 Active Missouri Linked Deposit Program Loans by Region



# Top 20 Participating Banks

Bank Name	Total Amount of Deposits	Number of Deposits
FCS Financial (900)	\$138,985,000.00	391
Hawthorn Bank (258)	\$26,166,323.00	44
Mid Missouri Bank (46)	\$25,272,000.00	96
BTC Bank (31)	\$16,715,634.00	85
Equity Bank (325)	\$13,288,289.00	11
Simmons Bank (139)	\$11,857,000.00	9
Maries County Bank (642)	\$5,449,695.00	27
Oakstar Bank (380)	\$5,239,500.00	9
Triad Bank (839)	\$4,896,000.00	6
First State Bank Of St. Charles (555)	\$4,170,283.00	8
Bank of Kirksville (320)	\$2,735,800.00	18
Enterprise Bank & Trust (774)	\$2,716,050.00	3
Bank Star (699)	\$2,611,495.00	7
Farm Credit Southeast Missouri (901)	\$2,582,000.00	7
Commerce Bank (289)	\$2,569,368.00	8
Belgrade State Bank (25)	\$2,523,147.00	3
Legends Bank (357)	\$1,855,000.00	3
TPNB Bank (455)	\$1,779,600.00	12
United Bank Of Union (628)	\$1,715,000.00	5
Central Bank (259)	\$1,653,547.00	6



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